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CALIFORNIA**

## PRESS RELEASE

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**Bridge Plans Improve Continuity & Affordability of Care**

*Covered California Board Approves Program to Develop Coverage Options  
for those who Lose Medi-Cal Eligibility*

SACRAMENTO, Calif. – Covered California announced today it is seeking federal approval for even more affordable health care for hundreds of thousands of low-income Californians. The so-called Bridge Plans will ease the transition for families who go in and out of eligibility for Medi-Cal, by enabling them to purchase standard benefit plans through Covered California at a substantially reduced cost.

An estimated 670,000 Californians could benefit during 2014 from the Bridge Plan approved by Covered California's Board. Each year, approximately 15% of those enrolled in Medi-Cal experience a temporary increase in income that subsequently makes them ineligible for Medi-Cal. Parents of children enrolled in the Healthy Families Program will also be eligible, allowing family members access to a single health care provider. Starting in 2014, many of these individuals could qualify for federal subsidies to help them buy the plan of their choice through Covered California.

If an individual must exit Medi-Cal, the Bridge Plan would provide enhanced financial support to help that person maintain his or her Medi-Cal managed care plan, and keep the same provider network. This enhanced continuity would translate to improved quality of care, more efficient delivery of care, and lower costs to the consumer.

Covered California Board Chair, Diana Dooley said, "This plan will provide affordable, consistent health care for many low income Californians when a modest increase in their income makes them ineligible for Medi-Cal, but private insurance is still too expensive."

The Covered California Board announced its intention to offer Bridge Plans at the earliest date possible in 2014. Contracts would be negotiated with qualified Medi-Cal Managed Care plans to develop bridge products where affordability and continuity of care are primary goals. A recent study indicates monthly premium costs for health coverage may be the most significant factor in determining if low-income Californians will purchase coverage.

Covered California is proposing immediate implementation and pursuit of federal approval for Bridge Plans where individuals are transitioning from Medi-Cal or are parents of children currently enrolled in Medi-Cal. The Board also directed staff to explore expanding Bridge Plan eligibility to all

persons whose income is at or below 200% of the federal poverty level – including persons currently not in Medi-Cal.

“This is another example of California leading implementation of health care reform by laying out a detailed plan for providing more affordable care in partnership, and with the support of the state’s health care community,” said Peter V. Lee, Executive Director of Covered California.

All Bridge Plan products offered by a Medi-Cal Managed Care plan must be certified as a Qualified Health Plan (QHP). The California Healthcare Eligibility, Enrollment and Retention System (CalHEERS) would be the platform for determining eligibility and enrollment for Bridge Plan participants.

### **About Covered California**

California was the first state to create a health benefit exchange following the passage of federal health care reform. Covered California is charged with creating a new insurance marketplace in which individuals and small businesses can get access to health insurance. With coverage starting in 2014, Covered California will help individuals compare and choose a health plan that works best for their health needs and budget. Financial subsidies will be available to help lower costs for people who qualify on a sliding scale. Small businesses will be able to purchase competitively priced health plans and offer their employees the ability to choose from an array of plans and may qualify for federal tax credits. Covered California is overseen by a five-member board appointed by the Governor and Legislature; the California Health and Human Services Secretary serves as an ex officio voting member and is its current Chair.

For more information on Covered California, please visit [www.covered.ca.gov](http://www.covered.ca.gov).

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